Remarks

The Amendments

Claim 1 has been amended to recite "a chemically modified double stranded short interfering nucleic acid (siNA) molecule comprising a sense strand and an antisense strand wherein: each strand of said siNA molecule is about 18 to about 27 nucleotides in length; the antisense strand of said siNA molecule comprises a nucleotide sequence that is complementary to a Hepatitis B Virus (HBV) nucleotide sequence comprising SEQ ID NO: 674; and the sense strand is complementary to the antisense strand and comprises a portion of said HBV sequence of about 18 to about 27 nucleotides; and about 100% of nucleotide positions in one or both strands of said siNA molecule are chemically modified." Support for the amendment can be found at, *inter alia*, pages 1, 7, 9-10, 14-17, 25, 37, 81-84, and 230 and throughout the specification.

Claims 14-16, 18-21 and 30 have been amended to recite the term "strand" instead of region. Support for the amendment can be found throughout the specification.

Claims 14 and 20 have been amended to recite the phrase "one or more" purine nucleotides . . . are 2'-deoxy purine nucleotides. Support for the amendment can be found at, *inter alia*, pages 43, 45, 47, 49, 52, and throughout the specification.

Claims 15 and 18 have been amended to recite the phrase "one or more" pyrimidine nucleotides . . . are 2'-deoxy-2'-fluoro pyrimidine nucleotides. Support for the amendment can be found at, *inter alia*, pages 43-52 and throughout the specification.

Claim 19 has been amended to recite the phrase "one or more" purine nucleotides . . . are 2'- O-methyl purine nucleotides. Support for the amendment can be found at, *inter alia*, pages 43-52 and throughout the specification.

Claims 14, 18, and 19 have been amended to recite the phrase "present in." Support for the amendment can be found at, *inter alia*, pages 43-52 and throughout the specification.

Claims 21 and 30 have been amended to recite the term "terminal." Support for the amendment can be found at, *inter alia*, pages 32-33, 107 and throughout the specification.

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Claim 30 has been amended to recite "the siNA molecule of claim 1, wherein the said antisense strand includes a terminal phosphate group." Support for the amendment can be found at, *inter alia*, pages 32-33 and throughout the specification.

Claim 31 has been amended to recite "a composition comprising the siNA molecule of claim 1 in a pharmaceutically acceptable carrier or diluent." Support for the amendment can be found at, *inter alia*, pages 24, 68-69, 185, 189-191 and throughout the specification.

New claim 33 recites phosphorothioate internucleotide linkage, 2'-O-methyl ribonucleotide, 2'-deoxy-2'-fluoro ribonucleotide, 2'-deoxy ribonucleotide, universal base nucleotide, 5-C-methyl nucleotide, and inverted deoxyabasic modifications. Support for this claim can be found at, *inter alia*, page 9 and throughout the specification

Claims 2, 4-13, 22-29, and 32 have been canceled with this amendment without prejudice.

Amendments to the claims are made without prejudice and do not constitute amendments to overcome any prior art or other statutory rejections and are fully supported by the specification as filed. Additionally, these amendments are not an admission regarding the patentability of subject matter of the canceled or amended claims and should not be so construed. Applicant reserves the right to pursue the subject matter of the previously filed claims in this or in any other appropriate patent application. The amendments add no new matter and applicants respectfully request their entry.

The Sequence Listing

Applicants have enclosed a new sequence listing and request its entry in place of the previously entered sequence listing. The sequence listing adds SEQ ID NOS: 1829-1833. SEQ ID NOS: 670, 671, 672, and 673 identify duplex forming oligonucleotide, palindromic, or repeat sequences shown in original Figures 94 B-D. SEQ ID NO: 674 represents GenBank entry AF100308 (see page 230). The version of AF100308 appearing in the sequence listing as SEQ ID NO: 674 appeared in GenBank on March 3, 1999; and is included in U.S. Provisional patent application No. 60/358,580 priority application (page 54) filed on February 20, 2002.

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The Restriction Requirement

The Office has imposed a restriction requirement, splitting the claims into those comprising no ribonucleotides (Group I, claim 2) and those comprising ribonucleotides (Group II, claim 3), with claims 1 and 4-32 being linking claims. The applicant elects Group II and traverse the bases upon which the restriction is made but provide no argument because the cancellation of claim 2 obviates the restriction.

Conclusion

In view of the foregoing amendments and remarks, the applicant submits that the claims are in condition for allowance, which is respectfully solicited. If the examiner believes a teleconference will advance prosecution, she is encouraged to contact the undersigned as indicated below.

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Respectfully submitted,

Dated: September 28, 2006

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